



STATE OF NEW JERSEY
Board of Public Utilities
Two Gateway Center
Newark, NJ 07102

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| IN THE MATTER OF THE PETITION OF |) | <u>CABLE TELEVISION</u> |
| CABLEVISION OF OAKLAND, LLC. FOR |) | |
| RENEWAL OF A CERTIFICATE OF APPROVAL |) | <u>RENEWAL</u> |
| TO CONTINUE TO OPERATE AND MAINTAIN |) | <u>CERTIFICATE OF APPROVAL</u> |
| A CABLE TELEVISION SYSTEM IN THE |) | |
| TOWNSHIP OF WAYNE, COUNTY OF |) | |
| PASSAIC, STATE OF NEW JERSEY |) | DOCKET NO. CE00120987 |

Schenck, Price, Smith & King, Morristown, New Jersey, by James Eric Andrews, Esq., for the Petitioner.

Township Clerk, Township of Wayne, New Jersey, by Katherine Pusterla, for the Township.

BY THE BOARD¹:

On October 11, 1984, the Board granted Micro-Cable Communications Corp. d/b/a UA-Columbia Cablevision of New Jersey ("UA-Columbia") a Certificate of Approval, in Docket No. 7910C-6567, for the construction, operation and maintenance of a cable television system for the Township of Wayne ("Township"). On April 8, 1991, the Board granted UA-Columbia a Renewal Certificate of Approval for the Township in Docket No. CE89110907. Subsequently, UA-Columbia underwent internal restructuring and was doing business as United Artists Cable of New Jersey ("United Artists"). In Docket No. CO92080822, United Artists informed the Board that it would do business as TCI of Northern New Jersey ("TCINNJ"). On November 16, 1992, the Board approved the petition and recognized the name change. TCINNJ underwent further restructuring and informed the Board that it would no longer use the name Micro-Cable Communications Corp. and would now use the corporate name of TCI of Northern New Jersey, Inc. ("TCINNJ, Inc.").

On December 17, 1997, the Board approved the transfer of the Certificate of Approval for the Township from TCINNJ, Inc. to Cablevision of Oakland, Inc. ("Cablevision"), in Docket No. CF97090674. On January 25, 2002, Cablevision informed the Board that, as part of an internal reorganization approved by the Board on January 3, 2002, in Docket No. CO00030182, it would now be known as Cablevision of Oakland, LLC ("Petitioner"). Although the Petitioner's Certificate expired on November 18, 1999, the Petitioner is authorized to continue to provide cable service to the Township pursuant to N.J.S.A. 48:5A-25.

The Petitioner filed an application for the renewal of its municipal consent with the Township on February 24, 1999, pursuant to N.J.S.A. 48:5A-23 and N.J.A.C. 14:18-13. The Township, after

¹ Commissioner Carol J. Murphy did not participate in the deliberations or vote on this matter.

public hearing, adopted a municipal ordinance granting renewal consent on July 19, 2000. On November 22, 2000, the Petitioner informed the Township that it would not accept the ordinance as written.

On December 20, 2000, pursuant to N.J.S.A. 48:5A-17(d), the Petitioner filed with the Board for a renewal of its Certificate of Approval for the Township. The Petitioner alleged that the Township's actions in granting a renewal containing terms and conditions that it had not agreed to were arbitrary and capricious. The Township filed an answer to the petition on January 5, 2001.

Subsequently, the Petitioner and the Township engaged in negotiations which culminated in the adoption of a municipal ordinance on December 5, 2001, granting renewal consent to the Petitioner for a term of 10 years. The Petitioner indicated its acceptance of the ordinance by letter dated January 25, 2002. On March 26, 2002, the Petitioner filed an amended petition for the Township.

The Board has reviewed the application for municipal consent, the petition and amended petition for a Renewal Certificate of Approval and the municipal consent ordinance and amended municipal consent ordinance. Based upon this review and the recommendation of the Office of Cable Television, the Board HEREBY FINDS the following:

1. The Petitioner possesses the requisite legal, character, financial and technical qualifications for the awarding of a Renewal Certificate of Approval. Further, the Township reviewed these qualifications in conjunction with the municipal consent process. See N.J.S.A. 48:5A-22 to 29 and N.J.A.C. 14:18-13.
2. The design and technical specifications of the system shall ensure that the Petitioner provides safe, adequate and proper service.
3. The Petitioner has represented that all previously required construction within the franchise territory is complete.
4. The franchise period as stated in the ordinance is ten years. The Office of Cable Television finds this period to be of reasonable duration.
5. The Township may review the performance of the Petitioner with regard to the ordinance at its discretion. If the Township determines that the Petitioner has failed to substantially comply with the material terms and conditions of the ordinance, the Township shall provide written notice to the Petitioner of such alleged instances of non-compliance and shall grant the Petitioner 90 days to cure such deficiency. The Township may petition the Board for appropriate administrative action, including revocation of the franchise or reduction of the franchise term, only after the 90-day opportunity to cure has passed and the deficiency has not been cured.
6. The Petitioner's rates shall be regulated and tariffs shall be filed for all services, in accordance with the rules and regulations of the Federal Communications Commission, the Board and the Office of Cable Television. The Petitioner shall maintain informational tariffs for unregulated service rates and promptly file any revisions thereto.

7. Pursuant to N.J.S.A. 48:5A-26(b), the ordinance specifies a complaint officer. In this case, it is the Office of Cable Television. All complaints shall be received and processed in accordance with N.J.A.C. 14:17-6.5.
8. The Petitioner shall maintain a local business office or agent for the purpose of receiving, investigating and resolving complaints. The current local office is located at 40 Potash Road in the Borough of Oakland.
9. The franchise fee to be paid to the Township is specified to be 2% of the Petitioner's gross revenues from all recurring charges in the nature of subscription fees paid by subscribers for its cable television reception service in the Township. Additional regulatory fees shall be paid to the State in an amount not to exceed 2% of Petitioner's gross operating revenues derived from intrastate operations. The Board finds these fees to be reasonable.
10. The Petitioner shall install cable in all residences in the Township at tariffed rates for standard and non-standard installation. Commercial establishments shall be constructed in accordance with the Petitioner's commercial line extension policy attached to this Certificate as Appendix "I".
11. The Petitioner committed to rebuild and/or upgrade the cable plant serving the Township to 750 MHz, capable of providing 80 channels of programming, by June 30, 2002. The Petitioner has asserted that this rebuild is complete.
12. The Petitioner shall provide public, educational and governmental ("PEG") access channels and facilities in accordance with its renewal application and the ordinance. Specifically, the Petitioner shall provide two exclusive PEG access channels to the Township for the use of the Township, its residents and qualified educational institutions in the Township. The channels are to be designated as follows: one governmental and public access channel; and one PEG access channel. The Township shall administer the channel and shall develop reasonable rules and regulations for its use.
13. Within 180 days of issuance of this Certificate, the Petitioner shall provide the Township with a package of PEG access equipment, specified in the ordinance as Exhibit "B", which is valued at approximately \$115,000.00, which cost includes installation, design, training and materials for this equipment.
14. The Petitioner shall provide free training courses for persons wishing to avail themselves of the Township's access channel(s), which are offered on a first-come, first-served basis, with a minimum of 10 trainees, but to be offered at least twice annually. The Petitioner shall engage in a public awareness campaign to promote public access training, equipment and programming available in the Township.
15. Upon request of the Township's Superintendent of Schools, the Petitioner shall conduct a semi-annual production training program for high school students and teachers, at the Petitioner's expense. Students will be trained to produce community-based programs.

16. The Petitioner also maintains a studio and some portable production equipment available on a first-come, first-served basis for production of non-commercial PEG access programming.
17. The Petitioner shall provide the standard installation and monthly expanded basic service to one outlet, free of charge, at each of the following: a) the public library and all branch libraries; b) each state or locally accredited public and private elementary and secondary school (as set forth in Exhibit "A" of the ordinance); c) and all municipal buildings used for governmental purposes including the Town Hall and the police, fire and first aid stations. Within one year from the date of the adoption of the ordinance, the Petitioner shall provide an additional four outlets of expanded basic service to all schools set forth in ordinance Exhibit "A", the public library and all branch libraries and Town Hall.
18. The Petitioner shall offer educational programming for the duration of the franchise (Cable in the Classroom or its equivalent) provided said programming is available and it is economically feasible for the Petitioner to provide it.
19. At such time as the Petitioner implements a senior citizen's discount in its Oakland system, such program and all its terms shall be available to qualified senior citizens of the Township, who meet the income and residency requirements of the Pharmaceutical Assistance to the Aged and Disabled (PAAD) program.
20. The Petitioner shall meet with the Township on a semi-annual basis at the Township's request to review and discuss billing, service-related and other complaints of Township subscribers and other issues of concern to the Township.

Based upon these findings, the Board HEREBY CONCLUDES, pursuant to N.J.S.A. 48:5A-17(a) and 28(c), that the Petitioner has sufficient financial and technical capacity and meets the legal, character and other qualifications necessary to construct, maintain and operate the necessary installations, lines and equipment and is capable of providing the proposed service in a safe, adequate and proper manner.

Therefore, the Petitioner is HEREBY ISSUED this Renewal Certificate of Approval as evidence of Petitioner's authority to construct and operate a cable television system within the entirety of the Township.

This Renewal Certificate is subject to all applicable State and federal laws, the rules and regulations of the Office of Cable Television, and any such lawful terms, conditions and limitations as currently exist or may hereafter be attached to the exercise of the privileges granted herein.

The Petitioner shall adhere to the operating standards set forth by the Federal Communications Commission's rules and regulations, 47 C.F.R. Section 76.1 et seq. Any modifications to the provisions thereof shall be incorporated into this Certificate. Additionally and more specifically, the Petitioner shall adhere to the technical standards of 47 C.F.R. Part 76, Subpart K.

Failure to comply with all applicable laws, rules, regulations and orders of the Board or Office of Cable Television and/or the terms, conditions and limitations set forth herein may constitute sufficient grounds for the suspension or revocation of this Certificate.

This Renewal Certificate is issued on the representation that the statements contained in the Petitioner's applications are true, and the undertakings therein contained shall be adhered to and enforceable unless specific waiver is granted by the Office of Cable Television pursuant to the authority contained in N.J.S.A. 48:5A-1 et seq.

This Certificate shall expire on November 18, 2009.

DATED: May 6, 2002

BOARD OF PUBLIC UTILITIES
BY:

(signed)

JEANNE M. FOX
PRESIDENT

(signed)

FREDERICK F. BUTLER
COMMISSIONER

(signed)

CONNIE O. HUGHES
COMMISSIONER

ATTEST:

(signed)

KRISTI IZZO
SECRETARY